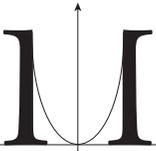


MARIN GENERAL SERVICES AUTHORITY

FINANCIAL STATEMENTS AND AUDITORS' REPORT
YEAR ENDED JUNE 30, 2009

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	2
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET ASSETS.....	6
STATEMENT OF ACTIVITIES	7
BALANCE SHEET.....	8
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND	
BALANCES.....	10
NOTES TO THE FINANCIAL STATEMENTS.....	12
REQUIRED SUPPLEMENTAL INFORMATION	
BUDGET COMPARISON SCHEDULES	
GENERAL FUND.....	18
ABANDONED VEHICLE ABATEMENT FUND	19
MARINMAP FUND	20
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION.....	21
OTHER SUPPLEMENTAL INFORMATION	
SCHEDULE OF MEMBER CONTRIBUTIONS	22
SCHEDULE OF GRANT INCOME AND RELATED EXPENSES.....	23



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Marin General Services Authority

We have audited the accompanying basic financial statements of the Marin General Services Authority as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the management of the Authority. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted the audit in accordance with auditing standards generally accepted in the United States of America and the California State Controller's *Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Marin General Services Authority as of June 30, 2009, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

The management's discussion and analysis on pages 2 through 5 and required supplemental information on pages 18 through 21 are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We applied limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion on it.

We performed the audit to form an opinion on the basic financial statements of the Authority taken as a whole. The other supplemental information listed on pages 22 and 23 is presented for additional analysis and is not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Maher Accountancy

October 30, 2009



Marin General Services Authority
371 Bel Marin Keys Boulevard
Novato, CA 94949

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis provides an overview of the Marin General Services Authority (MGSA) financial activities for the fiscal year ended June 30, 2009. Please read it along with the Authority's financial statements, which begin on page 6.

FINANCIAL HIGHLIGHTS

The Authority's net assets are \$564,000, a decrease of \$25,000 from the prior year. Total revenues increased by \$66,000 and total expenses increased by \$74,000.

The Marin Climate and Energy Partnership (MCEP) program, funded by a grant from the Bay Area Air Quality Management District (BAAQMD) in the amount of \$75,000 got underway and we have entered into a professional services agreement to engage the services of a Climate Action Director. An additional MCEP grant in the amount of \$80,000 was obtained from the Marin Community Foundation and will be utilized during the 2009-10 fiscal year.

Budgetary comparison schedules are found starting on page 18. Those schedules indicate we had a positive variance of \$111,000 in the General Fund, a positive variance of \$22,000 in the Abandoned Vehicle Fund, and a positive variance of \$316,000 in the MarinMap Fund when comparing actual activity with budgeted.

USING THIS ANNUAL REPORT

This annual report consists of financial statements for MGSA as a whole. The statement of net assets and the statement of activities provide information about the activities of the Authority as a whole and presents a long-term view of MGSA's finances. The fund financial statements present a short-term view of the Authority's activities (they include only current assets expected to be collected in the very near future and liabilities expected to be paid in the very near future).

THE AUTHORITY AS A WHOLE

THE STATEMENT OF ACTIVITIES AND THE STATEMENT OF NET ASSETS

One important question asked about MGSA's finances is, "Is MGSA better or worse off as a result of the year's activities?" The information in the government-wide financial statements helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the basis of accounting used by most private-sector companies.

MARIN GENERAL SERVICES AUTHORITY

The change in *net assets* (the difference between total assets and total liabilities) over time is one indicator of whether MGSA's financial health is improving or deteriorating. However, one must consider other nonfinancial factors in making an assessment of the Authority's health, such as changes in the economy and changes in MGSA's activities, etc. to assess the *overall* health of MGSA.

Changes in MGSA's net assets were as follows:

	June 30, 2009	June 30, 2008	Increase (decrease)
Current assets	\$ 621,589	\$ 562,735	\$ 58,854
Noncurrent assets	110,077	122,533	(12,456)
Total assets	731,666	685,268	46,398
Current liabilities	167,433	96,363	71,070
Net assets:			
Invested in capital assets	110,077	122,533	(12,456)
Restricted	341,007	340,830	177
Unrestricted	113,149	248,075	(134,926)
Total net assets	<u>\$ 564,233</u>	<u>\$ 588,905</u>	<u>\$ (24,672)</u>

Current assets grew as a result of our continued success in maintaining expense levels below revenues. During the year, we received \$80,000 from the Marin Community Foundation. The money has been deferred in our accounting reports and is the main reason why current liabilities increased.

Changes in MGSA's revenues were as follows:

	June 30, 2009	June 30, 2008	Increase (decrease)
General revenues:			
Investment earnings	\$ 5,416	\$ 12,219	\$ (6,803)
Program revenues:			
Contributions from agencies	345,500	311,501	33,999
Motor vehicle registration fees	234,314	236,016	(1,702)
Investment earnings	9,922	23,287	(13,365)
Grant income	50,000		50,000
Taxicab permits	17,542	13,750	3,792
Total program revenues	657,278	584,554	72,724
Total revenue	<u>\$ 662,694</u>	<u>\$ 596,773</u>	<u>\$ 65,921</u>

The Marin Climate Energy Partnership (MCEP) was new this year and accounted for most of the increase in agency contributions. We also received a grant from the Bay Area Air Quality Management District (BAAQMD) this year.

MARIN GENERAL SERVICES AUTHORITY

Changes in MGSA's expenses and net assets were as follows:

	<u>June 30, 2009</u>	<u>June 30, 2008</u>	<u>Increase (decrease)</u>
Expenses:			
Administration	\$ 299,095	\$ 214,254	\$ 84,841
Abandoned vehicle program	235,906	269,027	(33,121)
MarinMap	152,365	130,498	21,867
Total expenses	<u>687,366</u>	<u>613,779</u>	<u>73,587</u>
Less program revenues	<u>657,278</u>	<u>584,554</u>	<u>72,724</u>
Net program (expense) revenue	(30,088)	(29,225)	(863)
General revenues	5,416	12,219	(6,803)
Special item	0	413,554	(413,554)
Change in net assets	<u>\$ (24,672)</u>	<u>\$ 396,548</u>	<u>\$ (421,220)</u>

Higher contract payments for administration and vehicle removal accounted for the increase in expenses for administration and the abandoned vehicle program, respectively. The special item relates to MarinMap's net assets transferred from Marin Telecommunications Agency into our agency in the last fiscal year.

FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about MGSA's funds - the general fund and special revenue fund.

The fund financial statements provide a short-term view of the Authority's operations. They are reported using an accounting basis called *modified accrual* which measures amounts using only cash and other short-term assets and liabilities (receivables and payables) that will soon be converted to cash or will soon be paid with cash.

CAPITAL ASSET AND DEBT ADMINISTRATION

MGSA's capital assets include street poles which are not assigned a value in these financial statements. (See Note 1 in the financial statements for further explanation.). Additionally, the MarinMap Fund's capital assets include the digital orthophotography database. The entity also carries no debt since its operations are financed entirely from member contributions and grants and investment earnings.

MARIN GENERAL SERVICES AUTHORITY

THE FUTURE OF MGSA

During fiscal year 2008-09, MGSA continued enrollment of taxicab companies and drivers in its countywide taxicab regulatory program on behalf of the County and the eleven towns and cities. To date, permits have been issued to 15 companies, 82 vehicles and 137 drivers. Emphasis will now be placed on enforcement of taxicab regulations and maintaining up to date permits for the Marin County taxicab fleet.

During 2009-10 Republic ITS, MGSA's streetlight maintenance contractor will undertake an inspection program of JPA owned streetlight poles. All poles will be examined through a visual inspection and needed repairs will be made. Republic ITS has also been asked to develop a more intense "test and treat" inspection program of wooden poles owned by the JPA. The MGSA will continue to work with its members to manage the overall maintenance of streetlights throughout the County.

After completing the pilot project of placing WiFi on buses on two Golden Gate Transit District lines, the MGSA Board determined that telecommunications policy makers should now take the lead in broadband development in Marin County as part of a "network" of wireless and wire line networks.

The Marin Climate and Energy Partnership (MCEP) will continue under direction of its Steering Committee with assistance of MGSA. In 2009-10 MCEP will use a grant from the Marin Community Foundation to help fund a green building strategy planning process, including green building policy principles for local jurisdictions and to assist in development of a county-wide green building retrofit program.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Authority's finances and to demonstrate MGSA's accountability for the funds under its stewardship.

Please address any questions about this report or requests for additional financial information to the address on our letterhead.

Respectively submitted,



Paul Berlant, Executive Officer

BASIC FINANCIAL STATEMENTS

MARIN GENERAL SERVICES AUTHORITY

**STATEMENT OF NET ASSETS
AS OF JUNE 30, 2009**

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash in County treasury	\$ 556,567
Receivables:	
State of California	62,672
Prepaid expenses	<u>2,350</u>
Total current assets	<u>621,589</u>
Noncurrent assets:	
Capital assets	229,599
Less: accumulated depreciation	<u>(119,522)</u>
	<u>110,077</u>
Total assets	731,666
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	87,433
Deferred revenue	<u>80,000</u>
Total current liabilities	<u>167,433</u>
NET ASSETS	
Invested in capital assets	110,077
Restricted for abandoned vehicle abatement	25,339
Restricted for MarinMap	315,668
Unrestricted	<u>113,149</u>
Total net assets	<u><u>\$ 564,233</u></u>

The accompanying notes are an integral part of these financial statements.

MARIN GENERAL SERVICES AUTHORITY

**STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2009**

	Total	Administration	Abandoned Vehicle Abatement	MarinMap
EXPENSES				
Contract services	\$ 598,022	\$ 255,323	\$ 235,906	\$106,793
Legal	18,022	18,022		
Audit and accounting	11,250	11,250		
Insurance	9,421	9,421		
Rent	1,566	1,566		
Miscellaneous	3,638	3,513		125
Depreciation	45,447			45,447
Total expenses	687,366	299,095	235,906	152,365
PROGRAM REVENUES				
Member contributions	345,500	217,500		\$ 128,000
Motor vehicle registration fees	234,314		234,314	
Taxicab permits	17,542	17,542		
Interest income	9,922		877	9,045
Grant income	50,000	50,000		
Total program revenues	657,278	285,042	235,191	137,045
Net program (expense) revenue	(30,088)	\$ (14,053)	\$ (715)	\$ (15,320)
GENERAL REVENUES				
Interest income	5,416			
Increase (decrease) in net assets	(24,672)			
NET ASSETS, BEGINNING OF YEAR	588,905			
NET ASSETS, END OF YEAR	\$ 564,233			

The accompanying notes are an integral part of these financial statements.

MARIN GENERAL SERVICES AUTHORITY

**BALANCE SHEET
YEAR ENDED JUNE 30, 2009**

	<u>General Fund 70050</u>	<u>Abandoned Vehicle Fund 70010</u>	<u>MarinMap Fund 70060</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash in county treasury	<u>\$ 205,934</u>	<u>\$ 23,736</u>	<u>\$ 326,897</u>	<u>\$ 556,567</u>
LIABILITIES				
Accounts payable	\$ 15,135	\$ 1,620	\$ 11,229	\$ 27,984
Deferred revenue	<u>80,000</u>			<u>80,000</u>
Total liabilities	95,135	1,620	11,229	107,984
FUND BALANCES				
Reserved for:				
Abandoned vehicle abatement		\$ 22,116		22,116
MarinMap			\$ 315,668	315,668
Unreserved:	<u>110,799</u>			<u>110,799</u>
Total fund balances	<u>110,799</u>	<u>22,116</u>	<u>315,668</u>	<u>448,583</u>
Total liabilities and fund balances	<u>\$ 205,934</u>	<u>\$ 23,736</u>	<u>\$ 326,897</u>	<u>\$ 556,567</u>

MARIN GENERAL SERVICES AUTHORITY

**BALANCE SHEET
YEAR ENDED JUNE 30, 2009
(CONTINUED)**

RECONCILIATION TO THE STATEMENT OF NET ASSETS

Total governmental fund balance	\$ 448,583
Amounts reported for <i>governmental activities</i> in the statement of net assets are different because:	
Abandoned vehicle fees receivable that are not available to pay current period expenditures is deferred in the funds	62,672
Prepaid expenses	2,350
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	110,077
Abandoned vehicle fee distributions to local governments paid after received from State of California	<u>(59,449)</u>
Net assets of governmental activities	<u><u>\$ 564,233</u></u>

MARIN GENERAL SERVICES AUTHORITY

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009**

	<u>General Fund 70050</u>	<u>Abandoned Vehicle Fund 70010</u>	<u>MarinMap Fund 70060</u>	<u>Total Governmental Funds</u>
REVENUES				
Intergovernmental:				
Participating local agencies	\$ 217,500		\$ 128,000	\$ 345,500
Motor vehicle registration fees		\$ 232,368		232,368
Interest income	5,416	877	9,045	15,338
Grant income	50,000			50,000
Taxicab permits	17,542			17,542
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	290,458	233,245	137,045	660,748
EXPENDITURES				
Services and supplies				
Contract services	255,323	237,329	106,793	599,445
Legal	18,022			18,022
Audit and accounting	11,250			11,250
Insurance	9,421			9,421
Rent	1,566			1,566
Miscellaneous	3,513		125	3,638
	<hr/>	<hr/>	<hr/>	<hr/>
Total services and supplies	299,095	237,329	106,918	643,342
Capital outlay	3,756		29,235	32,991
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	302,851	237,329	136,153	676,333
Excess (deficiency) of revenues over expenditures	(12,393)	(4,084)	892	(15,585)
FUND BALANCES, BEGINNING OF YEAR	<hr/>	<hr/>	<hr/>	<hr/>
	123,192	26,200	314,776	464,168
FUND BALANCES, END OF YEAR	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 110,799	\$ 22,116	\$ 315,668	\$ 448,583

The accompanying notes are an integral part of these financial statements.

MARIN GENERAL SERVICES AUTHORITY

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009
(CONTINUED)**

**Reconciliation of the change in fund balance-total governmental funds
to the change in net assets of governmental activities:**

Net change in fund balance	\$ (15,585)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.	
Capital asset purchases capitalized	32,991
Depreciation expense	(45,447)
Revenues in the statement of activities that do not provide current resources are not reported as revenue in the fund financial statements	
Abandoned vehicle fees accrued at beginning of year	(60,726)
Abandoned vehicle fees accrued at end of year	62,672
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the fund financial statements:	
Payments from abandoned vehicle abatement fund to County, cities and towns:	
Accrued at beginning of year	60,872
Accrued at end of year	(59,449)
Insurance prepaid for the subsequent year	
Prepaid at beginning of year	(2,350)
Prepaid at end of year	<u>2,350</u>
Change in Net Assets of Governmental Activities	<u><u>\$ (24,672)</u></u>

MARIN GENERAL SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Marin General Services Authority (MGSA) was formed on October 1, 2005 under a joint powers agreement between the County of Marin, eleven municipalities within Marin County and two community service districts. The governing board of MGSA consists of seven directors from the following agencies: County of Marin, City Managers of San Rafael and Novato, two City or Town Managers appointed by the Marin Managers Association, and two Public Works Directors appointed by the Marin Public Works Association.

The purpose of MGSA is to administer, finance and govern various municipal services within Marin County. MGSA administrates the Abandoned Vehicle Abatement Program whereby fees collected by the California Department of Motor Vehicles are paid to MGSA which, in turn, pays MGSA member agencies for towing abandoned vehicles from their respective jurisdictions.

MGSA oversees the MarinMap project which assists in the preparation and distribution of digital aerial photographic maps of various Marin County jurisdictions. MarinMap operates according to a joint exercise powers agreement between the members of MGSA and four special districts within Marin County, each of which make contributions in support of the activity.

MGSA also administers the Marin County Taxi Regulation Program.

MGSA services as an agent and collects payments from its participants on behalf of the Marin County Probation Department's Mediation Services Unit and remits collected funds to the Probation Department. As of year-end, MGSA had distributed all such amounts.

INTRODUCTION

MGSA's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations.). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

MARIN GENERAL SERVICES AUTHORITY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE STATEMENTS

MGSA's basic financial statements include both government-wide (reporting MGSA as a whole) and fund financial statements (reporting MGSA's major funds).

In the government-wide Statement of Net Assets, MGSA's activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. MGSA's net assets are reported in three parts: (1) invested in capital assets, net of related debt, (3) restricted net assets, and (2) unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of MGSA's functions. The Statement of Activities reduces gross expenses by related program revenues. The net expenses (by function) are normally covered by general revenue (investment earnings).

The government-wide focus is more on the sustainability of MGSA as an entity and the change in MGSA's net assets resulting from the current year's activities.

FUND FINANCIAL STATEMENTS

The financial transactions of MGSA are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures.

MGSA uses the following fund type:

Governmental funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial positions (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of MGSA:

MARIN GENERAL SERVICES AUTHORITY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

General fund is the general operating fund of MGSA. It is used to account for all financial resources except those required to be accounted for in another fund.

Special revenue funds are used to account for the proceeds of revenue sources that are legally restricted to expenditures for specified purposes. Following is a description of the funds included under this category:

The *Abandoned Vehicle Fund* is used to account for revenue from the California Department of Motor Vehicles collected and distributed to member Cities and Towns for the towing of abandoned vehicles.

The *MarinMap Fund* is used to purchase services to develop digital aerial maps and to develop and maintain systems to share geographic information among governmental agencies in Marin County.

BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

Accrual:

The governmental activities in the governmental-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified accrual:

The government fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

FINANCIAL STATEMENT AMOUNTS

CASH AND CASH EQUIVALENTS:

MGSA has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with fiscal agent (County of Marin).

MARIN GENERAL SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CAPITAL ASSETS

It is MGSA's policy to record purchases of items of furniture and equipment costing \$1,000 or less as office supplies. Items in excess of \$1,000 are classified as capital outlay or capitalized. MGSA's capital assets are classified as computers, peripherals and software and are depreciated on the straight-line basis over five year estimated useful lives beginning when placed in service.

MGSA is the successor to the Marin Streetlight Acquisition Joint Powers Authority (MSLJPA) which owned street poles throughout Marin County. Those street poles are considered infrastructure assets acquired prior to June 30, 2003 and are not recorded in these financial statements as allowed for "Phase 3" governments as defined by Governmental Accounting Standards Board Statement No. 34.

BUDGET

Both the original budget and the final budget (if changes were adopted) are included in these financial statements as approved by the Board of Directors. The budgetary basis is the modified accrual basis of accounting.

2. CASH

MGSA maintains all of its cash in the County of Marin pooled investment fund for the purpose of increasing interest earnings through pooled investment activities. Interest earned on the investment pool is allocated quarterly to the participating funds using the daily cash balance of each fund. This pool, which is available for use by all funds, is displayed in the financial statements as "Cash."

The County Pool includes both voluntary and involuntary participation from external entities. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer.

The County's investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield, and public trust. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the types of investments in the pool, maturity dates, par value, actual costs and fair value.

MARIN GENERAL SERVICES AUTHORITY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

2. CASH (continued)

INTEREST RATE RISK

In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment pool to 540 days, or 1.5 years. At June 30, 2008, the County's investment pool had a weighted average maturity of 218 days.

For purposes of computing weighted average maturity, the maturity date of variable rate notes is the length of time until the next reset date rather than the stated maturity date.

CREDIT RISK

State law and the County's Investment Policy limits investments in commercial paper, corporate bonds, and medium term notes to the rating of "A" or higher as provided by Moody's Investors Service or Standard & Poor's Corporation. The County's Investment Policy limits investments purchased by Financial Institution Investment Accounts, a type of mutual fund, to United States Treasury and Agency obligations with a credit quality rating of "AAA."

CONCENTRATION OF CREDIT RISK

The following is a summary of the concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2008.

	<u>Percent of portfolio</u>
Investments in investment pool	
U.S. Agency	65%
U.S. Treasury	11%
Local Agency Investment Fund	2%
Money market funds	6%
Certificates of deposit	11%
Bankers acceptances	4%
Commercial paper	<u>1%</u>
	100%

MARIN GENERAL SERVICES AUTHORITY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

2. CASH (continued)

CUSTODIAL CREDIT RISK

For investments and deposits held with safekeeping agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year end, the County's investment pool had no securities exposed to custodial credit risk.

LOCAL AGENCY INVESTMENT FUND

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisor Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State statute.

3. CAPITAL ASSETS

Changes in capital assets for MGSA were as follows:

	Beginning balance	Additions	Ending Balance
Digital orthophotography database	\$ 196,608	\$ 29,235	\$ 225,843
Computer equipment		3,756	3,756
Subtotal	\$ 196,608	32,991	229,599
Less: accumulated depreciation	74,075	45,447	119,522
Net capital assets	<u>\$ 122,533</u>		<u>\$ 110,077</u>

4. RISK MANAGEMENT

MGSA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. During the year, MGSA purchased liability insurance with limits of \$5,000,000 and a deductible of \$1,000.

REQUIRED SUPPLEMENTAL INFORMATION

MARIN GENERAL SERVICES AUTHORITY

**BUDGET COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2009**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Budgetary fund balance - July 1	\$ 135,500	\$ 123,192	\$ (12,308)
Resource inflows			
Member agency contributions	189,500	189,500	-
Interest	7,000	5,416	(1,584)
Taxicab permit fees	7,000	17,542	10,542
MCEP partner match	14,000	28,000	14,000
BAAQMD grant	<u>75,000</u>	<u>50,000</u>	<u>(25,000)</u>
Total available for appropriations	428,000	413,650	(14,350)
Charges to appropriations			
Insurance	11,000	9,421	1,579
Taxicab regulation	6,500	3,513	2,987
Contract services	317,000	255,323	61,677
Legal expenses	25,000	18,022	6,978
Audit and accounting	12,000	11,250	750
Rent	6,500	1,566	4,934
General contingencies	<u>50,000</u>	<u>3,756</u>	<u>46,244</u>
Total charges to appropriations	<u>428,000</u>	<u>302,851</u>	<u>125,149</u>
Budgetary fund balance - June 30	<u>\$ -</u>	<u>\$ 110,799</u>	<u>\$ 110,799</u>

**RECONCILIATION TO STATEMENT
OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

Total available for appropriations	\$ 413,650
Budgetary fund balance is not a component of actual revenues	<u>(123,192)</u>
Total revenues as reported in statement of revenues, expenditures and changes in fund balance	<u><u>\$ 290,458</u></u>

MARIN GENERAL SERVICES AUTHORITY

**BUDGET COMPARISON SCHEDULE
 ABANDONED VEHICLE ABATEMENT FUND
 SPECIAL REVENUE FUND
 YEAR ENDED JUNE 30, 2009**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Budgetary fund balance - July 1	\$ 15,000	\$ 26,200	\$ 11,200
Resource inflows			
Interest	5,000	877	(4,123)
DMV reimbursement	<u>235,000</u>	<u>232,368</u>	<u>(2,632)</u>
Total available for appropriations	255,000	259,445	4,445
Charges to appropriations			
Contract services-special	12,000	12,000	-
Contract services- jurisdiction payments	228,000	225,329	2,671
Contingencies	<u>15,000</u>		<u>15,000</u>
Total charges to appropriations	<u>255,000</u>	<u>237,329</u>	<u>17,671</u>
Budgetary fund balance - June 30	<u><u>\$ -</u></u>	<u><u>\$ 22,116</u></u>	<u><u>\$ 22,116</u></u>

**RECONCILIATION TO STATEMENT
 OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE**

Total available for appropriations	\$ 259,445
Budgetary fund balance is not a component of actual revenues	<u>(26,200)</u>
Total revenues as reported in statement of revenues, expenditures and changes in fund balance	<u><u>\$ 233,245</u></u>

MARIN GENERAL SERVICES AUTHORITY

**BUDGET COMPARISON SCHEDULE
MARINMAP FUND
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2009**

	Original and Final Budget	Actual	Variance Positive (Negative)
Budgetary fund balance - July 1	\$ 117,975	\$ 314,776	\$ 196,801
Resource inflows			
Member dues	138,000	128,000	(10,000)
Interest income	15,000	9,045	(5,955)
Total available for appropriation	270,975	451,821	180,846
 Charges to appropriations			
Contract services	91,426	136,153	(44,727)
Projects	60,830		60,830
Un-programmed projects	118,719		118,719
Total charges to appropriations	270,975	136,153	134,822
 Budgetary fund balance - June 30	\$ -	\$ 315,668	\$ 315,668

**RECONCILIATION TO STATEMENT
OF REVENUES AND EXPENSES AND
CHANGES IN FUND BALANCE**

Total available for appropriation	\$ 451,821
Budgetary fund balance is not a component of actual revenues	(314,776)
Total revenues as reported in statement of revenues, expenditures and changes in fund balance	\$ 137,045

MARIN GENERAL SERVICES AUTHORITY

**NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION
YEAR ENDED JUNE 30, 2009**

BUDGETARY BASIS OF PRESENTATION

The budget included in these financial statements represents the original budget and amendments approved by the Board of Directors. The budgetary basis is the modified accrual basis of accounting. Various reclassifications have been made to the actual amounts to conform to classification included in the approved budget.

OTHER SUPPLEMENTAL INFORMATION

MARIN GENERAL SERVICES AUTHORITY

**SCHEDULE OF MEMBER CONTRIBUTIONS
YEAR ENDED JUNE 30, 2009**

	MGSA Fund			MarinMap Fund
	Basic	MCEP	Total	
City of Belvedere	\$ 3,252	\$ 2,000	\$ 5,252	\$ 6,000
Bel Marin Keys CSD	69		69	
Town of Corte Madera	7,379	2,000	9,379	9,000
County of Marin	50,731	2,000	52,731	10,000
Town of Fairfax	4,662	2,000	6,662	6,000
City of Larkspur	9,063	2,000	11,063	9,000
Marinwood CSD	140		140	
City of Mill Valley	11,600	2,000	13,600	9,000
City of Novato	35,301	2,000	37,301	10,000
Town of Ross	3,161	2,000	5,161	6,000
Town of San Anselmo	8,613	2,000	10,613	9,000
City of San Rafael	38,945	2,000	40,945	10,000
City of Sausalito	7,029	2,000	9,029	9,000
Town of Tiburon	9,555	2,000	11,555	9,000
Marin Municipal Water District		2,000	2,000	10,000
Marin Local Agency Formation Commission			-	10,000
Tamalpais Community Service District			-	6,000
Transportation Authority of Marin		2,000	2,000	
	<u>\$ 189,500</u>	<u>\$ 28,000</u>	<u>\$ 217,500</u>	<u>\$ 128,000</u>

MARIN GENERAL SERVICES AUTHORITY
SCHEDULE OF GRANT INCOME AND RELATED EXPENSES
YEAR ENDED JUNE 30, 2009

	Bay Area Air Quality Management District	Marin Community Foundation
	<u> </u>	<u> </u>
Grant award	\$ 75,000	\$ 80,000
Grant revenue earned	\$ 50,000	\$ -
Expenses:		
MCEP climate action director	60,400	
Contract services	4,750	-
	<u> </u>	<u> </u>
Total expenses	65,150	-
	<u> </u>	<u> </u>
Excess (deficiency) of grant income received over expenses	\$ (15,150)	\$ -
	<u> </u>	<u> </u>